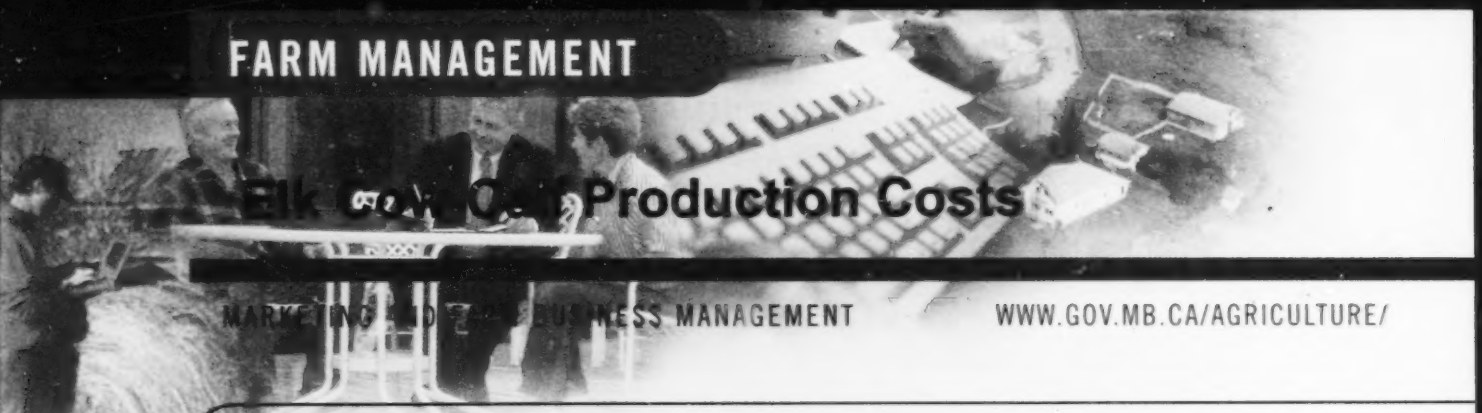

Elk [illegible] Production Costs

October, 2003

Estimates Based on a 30 Head Cow Herd

This guide is designed to provide planning information and a format for calculating costs of production on a 30 cow calf elk enterprise. The production costs included in this enterprise budget are not intended as a cost study of the elk industry in Manitoba. Adjustments will be necessary when applying these figures to your own enterprise.

The budget estimates are based on a number of assumptions which are clearly defined in the supporting pages. Productivity and performance assumptions are based on data supplied by specialists as well as data collected from certain producers. Input costs are based on recommended practices and/or information obtained from producers. Good management is assumed in that a balanced ration is being fed, livestock are on a herd health program and handling facilities are included.

The guideline can be useful for comparison purposes. Comparison of costs at different levels of production can be made with other farms; the farm over time to track profits or losses; or comparing the plan with the actual production at the end of the planning period.

Disclaimer: This budget is only a guide and is not intended as an in depth study of the cost of production of the Manitoba Elk industry. Interpretation and utilization of this information is the responsibility of the user. If you require assistance with developing your individual budget, please contact your local MAF Farm Management Specialist or Livestock Specialist.

Elk Cow-Calf Production Costs

MARKETING AND FARM BUSINESS MANAGEMENT WWW.GOV.MB.CA/AGRICULTURE/

October, 2003

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ELK COW-CALF COST SUMMARY - September, 2003

(Based on a 30 head cow herd)

A. OPERATING COSTS	$/COW	$ TOTAL	Your Cost
1. Feed Costs:			
1.01 Hay	$70.40	$2,112	
1.02 Grain	$12.54	$376	
1.03 Supplement	$31.68	$950	
Total Feed Cost	$114.62	$3,439	
2. Other Operating Costs:			
2.01 Vet. & Registration	$98.63	$2,959	
2.02 Fuel, Mtce. & Repairs	$26.66	$800	
2.03 Utilities	$13.33	$400	
2.04 Death Loss	$4.20	$126	
2.05 Insurance	$3.28	$98	
2.06 Herd Replacement	$15.67	$470	
2.07 Land Taxes	$10.00	$300	
2.08 Miscellaneous	$4.17	$125	
Subtotal Operating Costs	$290.56	$8,717	
2.09 Operating Interest	$9.44	$283	
TOTAL OPERATING COSTS	**$300.00**	**$9,000**	
B. FIXED COSTS			
3. Depreciation			
3.01 Buildings	$29.85	$896	
3.02 Machinery & Equipment	$14.89	$447	
3.03 Fence	$36.00	$1,080	
4. Investment			
4.01 Buildings	$14.59	$438	
4.02 Machinery & Equipment	$5.52	$166	
4.03 Livestock	$29.33	$880	
4.04 Pasture Land & Fencing	$41.60	$1,248	
TOTAL FIXED COSTS	**$171.78**	**$5,153**	
C. LABOUR COSTS	**$150.00**	**$4,500**	
TOTAL COST OF PRODUCTION	**$621.78**	**$18,654**	

Breakeven*

A. Operating Costs	**$365.86**
B. Operating & Fixed Costs	**$575.35**
C. Operating, Fixed & Labour Costs	**$758.27**

***Cost ÷ 82% calving percentage**

Disclaimer: This budget is only a guide and is not intended as an in depth study of the cost of production of this industry. Interpretation and utilization of this information is the responsibility of the user.

ELK COW-CALF PRODUCTION COST WORKSHEET - September, 2003

Assumptions

1. This budget outlines the cost of production for an elk cow 'calf' enterprise with 30 elk 'cows', 2 herd 'bulls' and an 82% calf crop.

2. All feed is valued at fair market value.

3. Handling facilities include chutes and squeeze specifically designed for elk.

4. This budget assumes all replacements are purchased. Replacement rates on elk 'cows' used are 10% and rates on the herd 'bulls' are 20%.

5. Insurance rates used were for accidental insurance only; not full mortality.

				Your Cost
A. OPERATING COSTS				
1. Feed Costs:				
1.01 Hay Costs				
Cows		6.00	kg hay/day	_____
	x	220	days/year	_____
	÷	1,000	kg/tonne	_____
	x	$50.00	/tonne	_____
	=	$66.00	/cow	_____
Bulls		6.00	kg hay/day	_____
	x	2	bulls	_____
	x	220	days/year	_____
	÷	1,000	kg/tonne	_____
	x	$50.00	/tonne	_____
	÷	30	cows	_____
	=	$4.40	/cow	_____
Total		**$70.40**	**/cow**	_____

				Your Cost
1.02 Grain Costs				
Cows		0.50	kg grain/day	
	x	220	days/year	
	÷	1,000	kg/tonne	
	x	$90.00	/tonne	
	=	$9.90	/cow	
Bulls		2.00	kg oats/day	
	x	2	bulls	
	x	220	days/year	
	÷	1,000	kg/tonne	
	x	$90.00	/tonne	
	÷	30	cows	
	=	$2.64	/cow	
Total		**$12.54**	/cow	
1.03 Supplement Costs				
Cows		0.50	kg supplement/day	
	x	220	days/year	
	÷	1,000	kg/tonne	
	x	$270.00	/tonne	
	=	$29.70	/cow	
Bulls		0.50	kg supplement/day	
	x	2	bulls	
	x	220	days/year	
	÷	1,000	kg/tonne	
	x	$270.00	/tonne	
	÷	30	cows	
	=	$1.98	/cow	
Total		**$31.68**	/cow	

2. Other Operating Costs:

2.01 Veterinary Medicine & Supplies

Cows	$20.00	/ cow parasite control

				Your Cost
Calf		$1.00	blackleg control	
	x	82	% calf crop	
	=	$0.82	/cow	
Bull		$20.00	parasite control	
	x	2	bulls	
	÷	30	cows	
	=	$1.33	/cow	
DNA & Blood Testing				
Calves		$64.20	DNA profile	
	+	$21.40	blood test	
	+	$10.00	vet fees	
	=	$95.60	total cost/calf	
	x	24	calves/year	
	÷	30	cows	
	=	$76.48	/cow	
Total		**$98.63**	/cow	

2.02 Fuel, Oil, Repairs & Maintenance

Machinery		$200.00	annual fuel cost	
	+	$200.00	oil, repairs & maintenance	
	=	$400.00	total cost	
	+	30	cows	
	=	$13.33	/cow	
Buildings,Fences etc.		$400.00	annual repair & mtc.	
	+	30	cows	
	=	$13.33	/cow	
Total	=	**$26.66**	/cow	

2.03 Utilities

		$400.00	annual utilities costs	
	+	30	cows	
	=	**$13.33**	/cow	

				Your Cost
2.04 Death Loss				
	x	$600	/cow investment	
	x	0.7	(%) mortality rate	
	=	**$4.20**	/cow	
2.05 Insurance				
		$26,300	bldg. & equip. investment	
	x	$0.26	cost/$100 capital	
	÷	100		
	÷	30	cows	
	=	$2.28	/cow	
		$22,000	herd investment	
	x	$0.00	cost/$100 capital	
	÷	100		
	÷	30	cows	
	=	$0.00	/cow	
		$30	add'l coverage for liability	
	÷	30	cows	
	=	$1.00	/cow	
Total		**$3.28**	/cow	
2.06 Herd Replacement				
Cows		$600	/replacement heifer	
	-	$550	/cull cow	
	=	$50	net cost	
	x	10.0	% replacement rate	
	=	$5.00	/cow	
Bulls		$2,000	/replacement bull	
	-	$1,200	/cull bull	
	=	$800	net cost	
	x	2	bulls	
	x	20.0	% replacement rate	
	÷	30	cows	
	=	$10.67	/cow	
Total		**$15.67**	/cow	

			Your Cost
2.07 Land Taxes			
	$300	land taxes	_____
÷	30	cows	_____
=	**$10.00**	/cow	_____
2.08 Miscellaneous			
	$25.00	velveting costs	_____
+	$100.00	license fee	_____
÷	30	cows	_____
=	**$4.17**	/cow	_____
2.09 Operating Interest			
	$290.56	subtotal operating costs	_____
+	2	average	_____
x	6.50	% operating interest rate	_____
=	**$9.44**	/cow	_____

		Your Cost
B. FIXED COSTS		
Capital Investment		
Buildings & Improvements		
Handling Facilities	$14,000	
Waterers (2 @ $ 1000)	$2,000	
Round Bale Feeders	$0	
Well & Pressure System	$3,500	
Hydro (1 pole @ $400)	$400	
Total Cost	**$19,900**	
Machinery		
Tractor & Loader	$2,000	
Quad	$4,000	
Miscellaneous Machinery	$400	
Total Machinery Cost	**$6,400**	
Land & Fence		
Fence (2 miles @ $12000/mile)	$24,000	
Pasture (60 ac @ $300)	$18,000	
Total Land & Fence	**$42,000**	
Livestock		
Cows (30 @ $600)	$18,000	
Herd Bulls (2 @ $2000)	$4,000	
Total Livestock Cost	**$22,000**	
Total Capital Investment	**$90,300**	

3. Depreciation: $\frac{\textit{Original Value - Salvage Value}}{\textit{Useful Life}}$

3.01 Buildings & Improvements

$19,900	original value	
- $1,990	salvage value	
+ 20	years useful life	
+ 30	cows	
= **$29.85**	/cow	

				Your Cost
3.02 Machinery & Equipment				
Tractor, Loader & Quad		$6,000	original value	_____
	-	$1,800	salvage value	_____
	+	10	years useful life	_____
	+	30	cows	_____
	=	$14.00	/cow	_____
Miscellaneous		$400	original value	_____
	-	$80	salvage value	_____
	=	$320	net cost	_____
	+	12	years useful life	_____
	+	30	cows	_____
	=	$0.89	/cow	_____
Total		**$14.89**	/cow	_____
3.03 Fence				
		$24,000	original value	_____
	-	$2,400	salvage value	_____
	+	20	years useful life	_____
	+	30	cows	_____
	=	**$36.00**	/cow	_____

4. Investment:

$$\frac{\textit{Original Value + Salvage Value}}{2} \times \textit{Investment Rate}$$

4.01 Buildings & Improvements				
		$19,900	original value	_____
	+	$1,990	salvage value	_____
	+	2	average	_____
	x	4.0	% investment rate	_____
	+	30	cows	_____
	=	**$14.59**	/cow	_____

				Your Cost
4.02 Machinery & Equipment				
Tractor, Loader & Quad		$6,000	original value	
	+	$1,800	salvage value	
	÷	2	average	
	x	4.0	% investment rate	
	÷	30	cows	
	=	$5.20	/cow	
Miscellaneous		$400	original value	
	+	$80	salvage value	
	÷	2	average	
	x	4.0	% investment rate	
	÷	30	cows	
	=	$0.32	/cow	
Total		**$5.52**	/cow	
4.03 Livestock				
Cows		$600	/cow	
	x	4.0	% investment rate	
	=	$24.00	/cow	
Bulls		$2,000	/bull	
	x	2	number bulls	
	÷	30	cows	
	=	$133	/cow	
	x	4.0	% investment rate	
	=	$5.33	/cow	
Total		**$29.33**	/cow	

				Your Cost
4.04 Pasture Land & Fencing				
Fence Investment		$24,000	original value	
	+	$2,400	salvage value	
	÷	2	average	
	x	4.0	% investment rate	
	÷	30	cows	
	=	$17.60	/cow	
Land Investment		$18,000	original value	
	x	4.0	% investment rate	
	÷	30	cows	
	=	$24.00	/cow	
Total		**$41.60**	/cow	
C. LABOUR COSTS				
		15	annual hours per cow	
	x	$10.00	hourly labour rate	
	=	**$150.00**	/cow	

For more information contact your local Manitoba Agriculture and Food office.

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